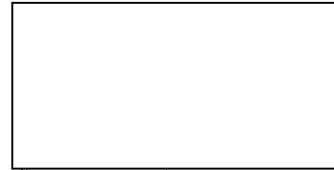


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Director of
Central
Intelligence

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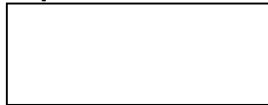
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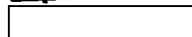


Special Analysis

Iraq: *President's Position Weakened* 3



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SPECIAL ANALYSIS

IRAQ: President's Position Weakened

//Military setbacks this fall in the war with Iran have put President Saddam Hussein under new pressure to find a way to end the conflict. Popular opposition to the war is growing as are the doubts among senior Iraqi officers about Saddam's leadership. To avoid a serious challenge, the President will have to abandon his defensive waiting strategy soon and either launch offensive operations or, more likely, declare "victory" and withdraw from Iran.//

//The defeats suffered by the Iraqis at Abadan in September and more recently at Bostan mark a turning point in the war. For the first time since the war began 15 months ago, Tehran has been able to score sizable victories over Baghdad's forces.

//The erosion of Iraq's position under Iranian pressure appears to be accelerating. Iraq's most urgent problem is poor troop morale, caused in part by Saddam's defensive strategy.//

Nevertheless, Iraqi forces are unlikely to collapse. Iran remains unable to follow up its successes with new attacks to exploit them quickly,

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Disaffection Growing

//Senior Iraqi officials, anxious to preserve their own positions, may have begun thinking about moving against Saddam.

//An increasing number of Iraqis see little chance for an early end to "Saddam's war" so long as he clings to the hope he can outlast Ayatollah Khomeini in a war of attrition.

The war also has caused a deterioration in security conditions in northern Iraq, where Kurdish and Communist guerrillas have taken advantage of the reduction in government forces.//

Policy Options

//Saddam's policy alternatives are gradually being reduced. For the moment he is sticking with the defensive strategy that has failed to achieve any of its original goals. Despite the defeat at Bostan, the Iraqi leadership apparently still hopes that continued heavy Iranian losses will cause an uprising or military coup in Tehran against Khomeini.//

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Iraq's chances of moving the battle to the negotiating table are slim. Earlier international mediation efforts remain moribund. Saddam's efforts to achieve a cease-fire or initiate peace talks directly with Iran or through Algeria have been interpreted as signs of weakness by Tehran, and, coupled with Iran's military successes, have strengthened Tehran's resolve.

Saddam still appears to command the loyalty of his powerful security service, which he does not hesitate to use. Reliance on increased repression at home is at best a stopgap measure, however, as the war becomes increasingly costly in men, material, and lost economic and foreign policy opportunities for Iraq.

The President is aware of the mounting discontent at home. He also realizes that continued fighting will leave Iraq dependent on the good will of moderate Arab neighbors for vital financial, logistic, and political support, all of which is harder to accept in view of Iraq's ambitions to become leader of the Arab world.

Saddam also would like to end the fighting well before next September, when the nonaligned movement is scheduled to hold a summit in Baghdad. He regards a leading role in the movement as the keystone of his foreign policy.

The Iraqi leader so far has not shown the flexibility to exploit the widespread desire for peace in his country, for example, by seizing on heightened Arab-Israeli tension to break off the war. The longer he waits to move, however, the weaker his position is likely to become.

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